

ORDINANCE NO. _____, SERIES 2007

AN ORDINANCE APPROVING THE THIRTEENTH SUPPLEMENTAL SEWER AND DRAINAGE REVENUE BOND AUTHORIZING RESOLUTION ADOPTED BY THE BOARD OF THE LOUISVILLE AND JEFFERSON COUNTY METROPOLITAN SEWER DISTRICT (HEREINAFTER “THE DISTRICT”) WHICH AUTHORIZES THE ISSUANCE OF THE DISTRICT’S SEWER AND DRAINAGE SYSTEM REVENUE BONDS, IN ONE OR MORE SERIES, (HEREINAFTER THE “2007 BONDS”) AND PROVIDING FOR THE IMMEDIATE ADVERTISING, PUBLIC, COMPETITIVE SALE OF SAID BONDS IN AN AMOUNT NOT TO EXCEED \$750,000,000.

SPONSORED BY: Councilman Dan Johnson

WHEREAS, pursuant to Chapter 76 of the Kentucky Revised Statutes, as amended (“the Act”), the Louisville and Jefferson County Metropolitan Sewer District (hereinafter the “District” or “MSD”) has been created and organized as a public body corporate, and is a valid political subdivision in good standing under the law of the Commonwealth of Kentucky, having jurisdiction, control, possession, and supervision of the existing sewer and drainage system of the Louisville/Jefferson County Metro Government; to maintain, operate, reconstruct and improve the sewer and drainage system; to make additions, betterments and improvements to the sewer and drainage system, with the power and authority to issue its negotiable interest-bearing revenue bonds for any of its corporate purposes and to refund any of its bonds; and

WHEREAS, the District has previously issued its Series 1997 A and B Bonds which have an outstanding principal balance of approximately \$95,000,000 and MSD has previously issued its Series 1998 Bonds which have an outstanding principal balance of approximately \$247,000,000, and MSD has previously issued its 1999 Bonds which have an outstanding principal balance of approximately \$300,000,000 (hereinafter referred to as the “Outstanding District Revenue Bonds”); and

WHEREAS, national financial markets present favorable conditions for substantial interest cost savings on Outstanding District Revenue Bonds that will be refunded in one or more series of Refunding Bonds; and

WHEREAS, the District has determined the necessity, advantage, and practicality of undertaking, at this time, to provide for the issuance of additional district revenue bonds in an amount not to exceed \$108,000,000 for the financing and completion of the District's Sewer and Drainage Capital Improvement Projects; and

WHEREAS, the Board of the District adopted the Thirteenth Supplemental Bond Authorizing Resolution which provides for the issuance by the District of Sewer and Drainage System Revenue Bonds ("Current Bonds") in the aggregate principal amount not to exceed \$108,000,000 and \$642,000,000 in Refunding Bonds, in one or more series, and which provides for the advertised, public, competitive sale of said Current Bonds and Refunding Bonds in an aggregate principal amount not to exceed \$750,000,000.; and

WHEREAS, the District hereby identifies the District's Sewer and Drainage Projects (the "Projects") included in the Sewer and Drainage Capital Improvement Projects to be financed through issuance of the Current Bonds which include the following: [i] wastewater and drainage system expansion and improvements; [ii] improvements to wastewater treatment facilities; [iii] rehabilitation of combined sewer overflow systems; [iv] improvements to flood control and drainage facilities; [v] drainage and District improvements; [vi] construction of collector sewers; [vii] construction and improvements of detention and retention basins; [viii] construction of interceptor sewers; [ix] combined sewer overflow and sanitary overflow abatement projects; [x] construction and improvements to force mains; [xi] repairs and improvements to District pumping stations; [xii]

construction of regional storage facilities; and [xiii] miscellaneous improvements and acquisition of equipment and mapping hardware and software (collectively, the “Current Projects”); and

WHEREAS, the Thirteenth Supplemental Bond Authorizing Resolution adopted by the District’s Board extends to the Current and Refunding Bonds the requirement for the District to fix, establish, maintain and collect rents, rates and charges for services of the sewer and drainage system which, together with other revenues, are expected to produce revenues for each fiscal year and will be at least sufficient to achieve the following:

- a. a sum equal to 110% of the principal and interest coming due on all issued and outstanding revenue bonds and indebtedness of the District for such fiscal year;
- b. all operating expenses for such fiscal year;
- c. amounts necessary to pay and discharge all charges or liens payable out of revenues of the District, and the procedures to maintain such coverage being currently authorized in MSD’s Schedule of Rates, Rentals and Charges; and,

WHEREAS, the approval of this Ordinance ratifies the authorization and procedures concerning the Louisville/Jefferson County Metro Government’s approval of MSD’s Schedule of Rates, Rentals and Charges as provided for in KRS Chapter 76, as amended and as approved in Jefferson County Fiscal Court Ordinance No. 25, Series 1979 as amended by Jefferson County Fiscal Court Ordinance No. 32, Series 1986; and City of Louisville Ordinance No. 152, Series 1979 as amended by City of Louisville Ordinance No. 388, Series 1986; and as approved in Ordinance 175-07-07.

NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (“COUNCIL”) AS FOLLOWS:

SECTION 1. That the Thirteenth Supplemental Bond Authorizing Resolution adopted by the Board of the Louisville and Jefferson County Metropolitan Sewer District authorizing the issuance of its Current Bonds and Refunding Bonds, in one or more series, is hereby approved and authorized in an amount not to exceed the aggregate amount of \$750,000,000.

SECTION 2. That the recitals contained in the Ordinance are hereby adopted as a finding of fact and incorporated herein and are approved.

SECTION 3. The District is authorized to construct the Sewer and Drainage Capital Improvement Projects identified as the Current Projects in this Ordinance.

SECTION 4. That all previous ordinances relating to the District's Debt Service Adjustment covenants continue to be in full force and effect and will continue to be a covenant for as long as any District Revenue Bonds are outstanding.

SECTION 5. That the Current Bonds and Refunding Bonds shall not constitute an obligation or indebtedness of Louisville/Jefferson County Metro Government and the Refunding and Current Bonds will be issued under the provision of KRS 76.010 through 76.210 and will not constitute an indebtedness of said Louisville/Jefferson County Metro Government.

SECTION 6. That this Ordinance shall take effect upon its passage and approval.

Kathleen J. Herron
Metro Council Clerk

Rick Blackwell
President of the Council

Jerry E. Abramson
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Irv Maze
Jefferson County Attorney

BY: _____
James T. Carey, Assistant Jefferson County Attorney

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